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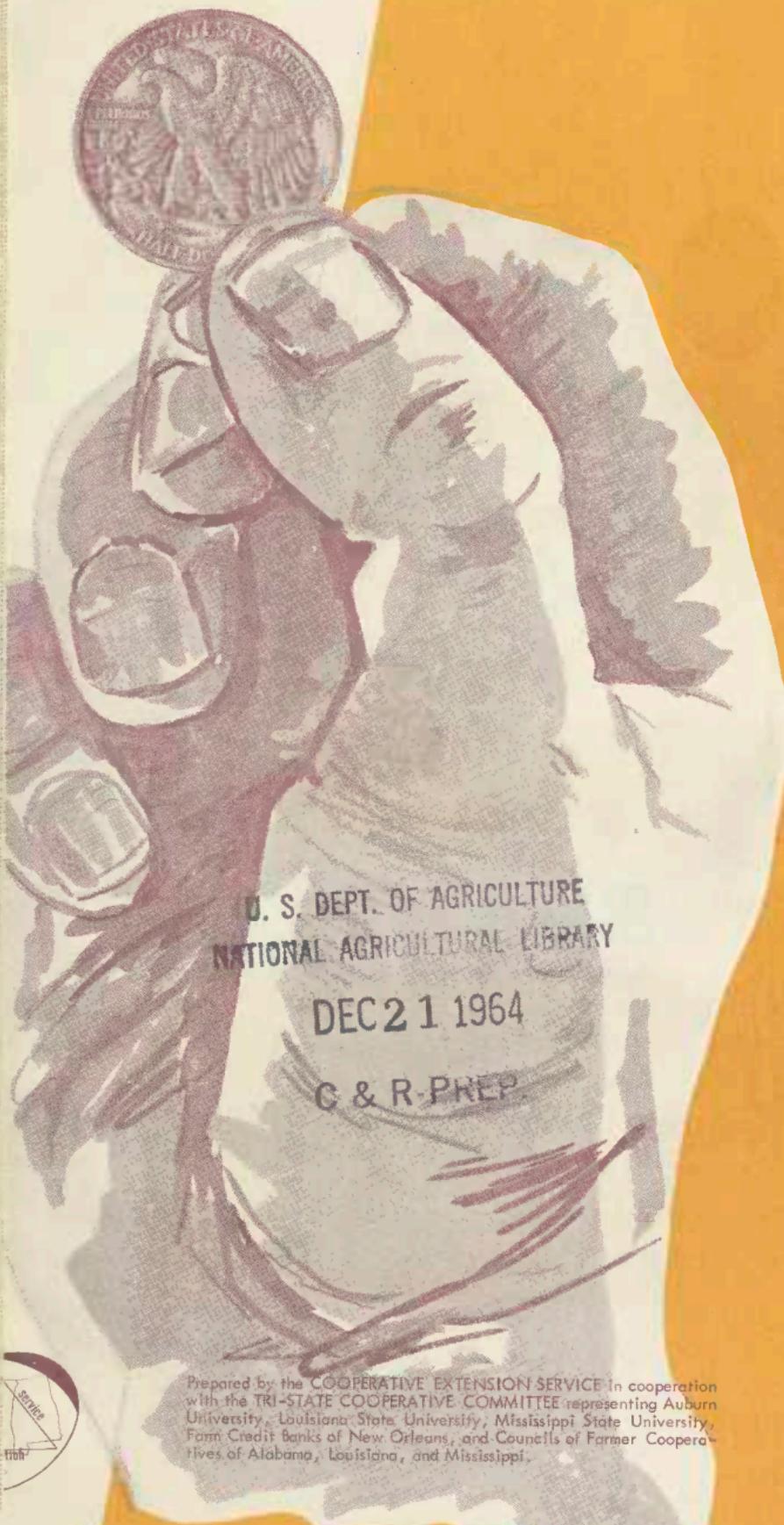
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# Objectives of Cooperatives



Prepared by the COOPERATIVE EXTENSION SERVICE in cooperation with the TRI-STATE COOPERATIVE COMMITTEE representing Auburn University, Louisiana State University, Mississippi State University, Farm Credit Banks of New Orleans, and Councils of Farmer Cooperatives of Alabama, Louisiana, and Mississippi.



# OBJECTIVES OF COOPERATIVES

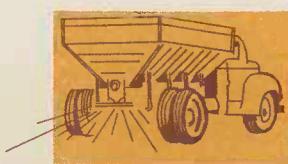
The primary aim of cooperatives is to improve the economic welfare of their participating members. This may be done by:



## 1. Increasing financial returns to members



## 2. Increasing bargaining power of members



## 3. Providing needed services for members

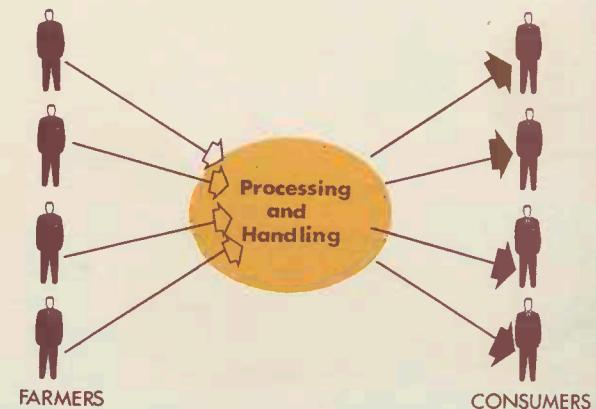


## 4. Buying and selling in large volumes

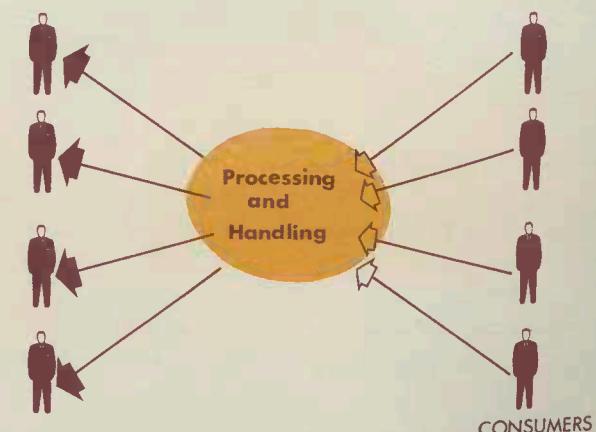


## 5. Providing a means of controlling quality of supplies

Another objective of farmer cooperatives is to keep control of farming in the hands of farmers. To achieve this objective, the direction of control must be from the farm to the market.



When the direction of control is from the market to the farm, production and marketing decisions will be taken out of farmers' hands.



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# Place of Cooperatives in the American Free Enterprise System

There are four types of private business organizations in America.



1. Individually owned business



2. Partnership



3. Corporation



4. Cooperative

Doing business cooperatively is as much a private enterprise undertaking as any of the other three types. Each is part of the free enterprise system which is based on:

1. Freedom of choice
2. Private property rights
3. Profit motive of owners
4. Owner control

## FREE ENTERPRISE SYSTEM

INDIVIDUAL BUSINESS

PARTNERSHIP

CORPORATION

COOPERATIVE

Without cooperatives, many small capitalists would be forced out of business. Even large capitalists use cooperative principles and methods to make their business more profitable.

Issued in furtherance of Acts of Congress, May 8 and June 30, 1914. U. S. Department of Agriculture and the following State Extension Services and Universities cooperating: W. M. BOST, Director, Mississippi State University  
FRED R. ROBERTSON, Director, Auburn University  
JOHN A. COX, Director, Louisiana State University